

Salisbury, North Carolina
December 2, 2008

REGULAR MEETING

PRESENT: Mayor Susan W. Kluttz, Presiding; Mayor Pro Tem Paul B. Woodson, Jr., Councilmen William (Bill) Burgin, William (Pete) Kennedy, and Mark N. Lewis; City Manager David W. Treme; City Clerk Myra B. Heard; and City Attorney F. Rivers Lawther, Jr.

ABSENT: None

The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Mayor Pro Tem Woodson.

PLEDGE OF ALLEGIANCE

Mayor Kluttz asked that local men and women serving in the Armed Services be remembered as she led those present in the Pledge of Allegiance to the United States flag.

RECOGNITION OF VISITORS

Mayor Kluttz recognized all visitors present.

RECOGNITION – PAUL MOORE NORTH CAROLINA RECREATION AND PARK ASSOCIATION YOUNG PROFESSIONAL AWARD

Mr. Jeff Holhouser, Interim Program Manager, introduced Mr. Paul Moore, Recreation Coordinator for City Park. He informed Council that Mr. Moore received the North Carolina Recreation and Park Association Young Professional Award at an annual awards banquet. He indicated that Mr. Moore was honored with this award because of

his service and dedication to the Parks and Recreation profession in the State of North Carolina. He noted that Mr. Moore has worked for Salisbury Parks and Recreation for more than eight years as a Recreation Coordinator at the Salisbury Civic Center and at City Park. He also noted that Mr. Moore is a certified Parks and Recreation professional.

Mayor Kluttz presented the Young Professional Award to Mr. Moore and expressed her pride in him for winning the statewide award.

CONSENT AGENDA

(a) **Approval of Minutes**

Approve Minutes of the Regular meeting of November 18, 2008.

(b) **Budget Ordinance**

Adopt a budget Ordinance amendment to the FY 2008-2009 budget in the amount of \$11,600 to appropriate various donations to the Police Department.

AN ORDINANCE AMENDING THE 2008-2009 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE VARIOUS POLICE DONATIONS.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 143, and is known as Ordinance No. 2008-62.)

(c) **2009 Council Meeting Dates**

Adopt the 2009 schedule of regular Council meeting dates.

Thereupon, Mr. Kennedy made a **motion** to adopt the Consent Agenda as presented. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

PRESENTATION – 2008 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Mr. Wade Furches, Finance Manager, introduced Ms. Erica Brown, Audit Manager with Martin Starnes and Associates, CPA's. Ms. Brown addressed Council regarding the 2008 Comprehensive Annual Financial Report (CAFR) and explained the 2007-2008 City of Salisbury independent audit process and audit report:

Audit Highlights:

- Performed by Martin Starnes & Associates, CPAs
- Unqualified (clean) opinion

- No findings or questioned costs
- No material internal control weakness identified

Fund Balance:

- Serves as a measure of the City's financial resources available
 - Assets – Liabilities = Fund Balance
- Three Classifications:
 - Reserved
 - Unreserved Designated (available)
 - Unreserved Undesignated (available)
- Total Fund Balance – General Fund
 - 2005 - \$6,784,420
 - 2006 - \$7,184,363
 - 2007 – 6,872,729
 - 2008 – 8,064,893

Fund Balance Position – General Fund:

	<u>2008</u>	<u>2007</u>
• Total Fund Balance	\$ 8,064,893	\$ 6,872,729
• Required Reservations	<u>- 3,618,321</u>	<u>-3,334,316</u>
• Unreserved/Undesignated	\$ 4,446,572	\$ 3,538,413

Unreserved/Undesignated Fund Balance as a Percent of Expenditures – General Fund:

- 2006 – 11.34%
- 2007 – 11.89%
- 2008 – 13.59%

General Fund Summary:

- Revenues
 - 2007 - \$30,212,226
 - 2008 - \$33,420,370
- Expenditures
 - 2007 - \$29,765,060
 - 2008 - \$32,697,359

Top 3 Revenues – General Fund:

- Property Tax – 50%
- Sales Tax – 22%
- Charges for Services – 16%
- Other Revenue – 12%

Sales Tax:

- 2006 - \$4,755,926
- 2007 - \$4,928,404
- 2008 - \$5,220,704

Top 3 Expenditures – General Fund:

- Public Safety – 35%
- Other Expenditures – 28%
- General Government – 21%
- Transportation – 15%

Enterprise Funds – Operating Income (Loss) Budgetary Basis for 2008:

	<u>Water & Sewer</u>	<u>Transit</u>
Total Revenues	\$ 20,778,177	\$ 604,966
Expenses		
Operating	13,130,323	1,017,064
Debt Service	5,376,851	-
Capital Outlay	562,948	-
Total Expenses	<u>19,070,122</u>	<u>1,025,064</u>
Revenues over Expenditures	1,708,055	(412,098)
Transfers (to) from other funds	<u>(250,000)</u>	<u>437,781</u>
Net Income	\$ 1,458,055	\$ 25,683

Ms. Brown stated that the total General Fund Fund Balance has increased approximately \$1,100,000 since 2007 and this is due primarily to tax revenue growth from annexation. She concluded by stating that the Enterprise Funds are generating income as well this year.

Mayor Kluttz thanked Ms. Brown for the work that she has done for the City.

AWARD CONTRACT – CAL-FLO LIME SLURRY FEED SYSTEM

Mr. Dewey Peck, Purchasing Manager, stated that the Resolution before Council is for the purchase of a lime slurry feed system. He stated that the system is used to adjust pH levels in water. Mr. Peck stated that the current system has proven to be a cost-effective method of adjusting pH levels without the use of caustic substances. Mr. Jim Behmer, Engineering Manager, stated that liquid lime is safer and easier to handle and will reduce the risk of burns from caustic substances.

Mr. Peck indicated that Burnett Lime Company, Inc. is the “sole provider” of the Lime Slurry Feed System and allows standardization for the consolidation of spare parts in order to repair equipment, as well as allow the City to realize the benefits of ordering lime slurry in bulk.

Thereupon, Mr. Burgin made a **motion** to adopt a Resolution awarding a contract in the amount of \$143,800 for the purchase of a CAL-FLO Lime Slurry Feed System for the Salisbury Utilities Department. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION AUTHORIZING THE PURCHASE OF A CAL-FLO SLURRY FEED SYSTEM FOR THE SALISBURY-ROWAN UTILITIES DEPARTMENT

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 71, and is known as Resolution No. 2008-44.)

PARKING – 400 BLOCK OF SOUTH LONG STREET

Ms. Wendy Brindle, Traffic Engineer, indicated that a request has been received concerning parking in the 400 block of South Long Street. She noted that parking is currently restricted at all times in that area. She stated that members of First Calvary Baptist Church would like to utilize the street to park on Sundays. She stated that staff collaborated with the Salisbury Police Department to review the site and recommend parking be permitted on Sundays.

Thereupon, Mr. Kennedy made a **motion** to adopt an Ordinance amending Section 13-338, Article X, Chapter 13, of the Code of the City of Salisbury, relating to parking prohibited at all times. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-338, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING PROHIBITED AT ALL TIMES.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 140, and is known as Ordinance No. 2008-59.)

Thereupon, Mr. Kennedy made a **motion** to adopt an ordinance amending section 13-339, Article X, Chapter 13, of the Code of the City of Salisbury, relating to parking prohibited, except Sundays. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-339, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING PROHIBITED, EXCEPT SUNDAYS.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 141, and is known as Ordinance No. 2008-60.)

PARKING – OVERMAN AVENUE

Ms. Wendy Brindle, Traffic Engineer, stated that staff received a request concerning parking adjacent to John Calvin Presbyterian Church. She noted that the

Church hosts daily meals for Senior Citizens and has requested parking be allowed adjacent to the Church for easier access. She noted that parking is currently restricted from 8:00 a.m. to 6:00 p.m. on both sides of the street. She indicated that staff recommends parking be permitted on the south side of Overman Avenue between Brenner and Walker Streets.

Thereupon, Mr. Kenney made a **motion** to adopt an Ordinance amending section 13-348, Article X, Chapter 13, of the Code of the City of Salisbury, relating to parking prohibited 8:00 a.m. to 6:00 p.m. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-348, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING PROHIBITED 8:00 A.M. TO 6:00 P.M.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 142, and is known as Ordinance No. 2008-61.)

REPORT FROM STAFF – FEDERAL COMMUNICATION COMMISSION’S TRANSITION FROM ANALOG TO DIGITAL TELEVISION

Mr. Mike Crowell, Technology Services Manager, stated that the Federal Communications Commission (FCC) has ordered all broadcast stations to upgrade their broadcast system from analog to digital effective February 17, 2009. He stated that this change will have a great impact on the nation. Mr. Crowell introduced Mr. Jason Parks, Access16 Station Manager to explain the transition. Mr. Parks stated that televisions currently receiving reception through an antenna will need to upgrade to a new television, sign up for a pay television service, or install a converter box in order to receive the new digital television broadcast. He stated that the Federal government is sponsoring a coupon program to defray the cost of converter boxes and each United States household can apply for two \$40 coupons. He stated that Access16 will air several Public Service Announcements regarding the transition. He noted that the public can find more information on the transition on the City of Salisbury’s website at www.salisburync.gov.

Mayor Pro Tem Woodson asked where converter boxes could be purchased. Mr. Park stated that converter boxes are available at various stores including Wal-Mart and Circuit City.

SECOND ANNUAL SALISBURY POSTER CONTEST

Ms. Karen Wilkinson, Public Information Officer, announced the Second Annual Youth Recycling Art Contest. She stated that this year’s theme is “Think Green! Reduce, Reuse, Recycle”. She stated that the contest is for public, private, and homeschooled

students in grades Kindergarten through 12th grade. Ms. Wilkinson reviewed the contest rules:

- Standard 28x24 inch Poster Board
- Incorporate the slogan (“Think Green! Reduce, Reuse, Recycle)
- Deliver entry to Public Services Administration,
519 North Fulton Street by Friday, December 19, 2008
(all entries should include the artist’s name, mailing address, phone number, age and school)

Ms. Wilkinson stated that the main objective is for the students to have fun and be creative. She stated that winners will receive:

- Recognition at a 2009 City Council meeting.
- Framed winners certificate
- Free – Salisbury, Discover What’s Inside prize pack
- Artwork will appear on ACCESS16

Mr. Tony Cinquemani, Public Services Manager, gave Council an update on the City’s recycling program. Mr. Cinquemani reviewed bin distribution sites:

- Public Services Department
- City Hall Administration
- City Office Building
- Fleet Management
- Solid Waste Division

Mr. Cinquemani stated that the number of bins being requested has decreased and this could be due to a decrease in new home construction. He stated that the City averages approximately 130 tons of recycling material monthly. He noted that the North Carolina Department of Environment and Natural Resources (NCDENR) rated Salisbury as lessening the amount of product in the landfill by 17%. He indicated approximately 33.50% of citizens recycle and noted that these numbers are average compared to the remainder of the State.

Mr. Burgin asked what the highest percentage for recycling is in the State. Mr. Cinquemani stated that Asheville is the highest with approximately 80%. Mr. Burgin stated that he thinks Salisbury is not an average City and he encouraged citizens to make an effort to recycle so Salisbury can become one of the highest participants in the State.

BOARDS AND COMMISSIONS

This item was postponed.

COMMENTS FROM THE CITY MANAGER

(a) Appointment to Rowan County Board of Health

City Manager Dave Treme informed Council that the Rowan County Board of Commissioners appointed Mr. Dan Mikkelson, Land Management and Development Director, to the Rowan County Board of Health.

(b) Electronic Signs

City Manager Dave Treme stated that requests regarding electronic signs have been received from Catawba College and Livingstone College. Mr. Treme asked Mr. Dan Mikkelson, Land Management and Development Director, to give Council an update regarding electronic signs.

Mr. Mikkelson indicated the City has studied electronic signs twice. He stated in 2002 a City Council Committee reviewed the request, from John Riley but the request was withdrawn before action was taken. He stated that according to Council Minutes, Council realized by taking no action at that time, electronic message signs would be prohibited. He noted that three colleges, Rowan-Cabarrus Community College, Livingstone College, and Catawba College, submitted requests two years ago and those requests were forwarded to a joint committee of the Planning Board and Community Appearance Commission. He stated that as the Committee's study progressed it was found that technology had advance and what was available was high definition video signs. He explained that these electronic signs fall under Federal guidelines if the sign is in view of a Federal highway. He stated that because of the rapid change of images on the sign, it could become a distraction to drivers and the Federal Highway Commission has begun a study specifically for this type of signage. He pointed out that when the Planning Board and Community Appearance Commission learned of the study, they recommended deferring their own study until the Federal study is complete. He stated that the Community Appearance Commission publically stated they would not recommend use of the signage. He added that the Planning Board did not vote on a position and during its last discussion of the issue, the members had split opinions. Mr. Mikkelson stated that staff would like Council to provide direction on this issue and suggested a Council Committee to review with staff.

Mayor Kluttz commented that the colleges are anxious to construct new signs and it is not fair to continue to make them wait for an answer. Council agreed to form a Council Committee and Mayor Kluttz noted that Mayor Pro Tem Woodson and Councilman Kennedy served on the last Council Committee that studied this issue. She suggested Councilmen Burgin and Lewis serve on a new Committee. Councilmen Burgin and Lewis concurred, and Mayor Kluttz appointed them to serve as a Council Committee to study this issue.

(c) Salisbury Community Foundation Grant Update

City Manager Dave Treme introduced Ms. Gail Elder White, Parks and Recreation Director, to give Council an update regarding the Salisbury Community

Foundation Grant. Ms. Elder White announced that the Salisbury Parks and Recreation Department received \$3,500 from the Salisbury Community Foundation to support an Outdoor Adventure Program at Community Park. She explained that the funds received thus far will allow the implementation of 3 to 4 weeks of the program and that staff is currently seeking other grants in order to fund the program for the entire summer. Ms. Elder White requested the Mayor sign the grant acknowledgement in order to receive funds from Salisbury Community Foundation.

By consensus, Council agreed for the Mayor sign a grant acknowledgement for the Salisbury Community Foundation.

MAYOR'S ANNOUNCEMENTS

(a) Parks and Recreation Annual Tree Lighting Ceremony

Mayor Kluttz announced that the Annual Salisbury Parks and Recreation Tree Lighting will be held Friday, December 5, 2008 at 6:00 p.m. at City Park Lake. Refreshments will be served.

(b) Annual Christmas Luncheon

Mayor Kluttz announced that the Annual Christmas Luncheon for City employees will be held on Wednesday, December 10, 2008 from 11:30 a.m. until 1:00 p.m. at the Salisbury Civic Center.

(c) LandTrust Tree Trimming Ceremony

Mayor Kluttz announced that the LandTrust of Central North Carolina will hold a Tree Trimming ceremony Sunday, December 7, 2008 at Centennial Park from 4:00 p.m. until 5:00 p.m. She noted that they will have a workshop at the Green Goat Gallery Saturday, December 6, 2008 from 2:00 p.m. until 4:00 p.m. to make edible ornaments for birds and wildlife.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Woodson, seconded by Mr. Burgin. All council members agreed unanimously to adjourn. The meeting was adjourned at 4:56 p.m.

Mayor

City Clerk